



House of Representatives

General Assembly

File No. 786

January Session, 2011

Substitute House Bill No. 6052

House of Representatives, May 11, 2011

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HOUSING FOR THE HOMELESS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2011*) (a) The Commissioner of
2 Economic and Community Development, in consultation with the
3 Connecticut Housing Finance Authority, may establish a program
4 requiring that (1) any housing project built or substantially
5 rehabilitated with the use of any financial assistance received from
6 said commissioner or authority on or after October 1, 2011, shall set
7 aside up to fifteen per cent of the dwelling units within such housing
8 project as affordable housing units for persons who are chronically
9 homeless or at risk of becoming homeless, and (2) the Commissioners
10 of Economic and Community Development, Mental Health and
11 Addition Services, and Social Services, and the director of the
12 Connecticut Housing Finance Authority shall work together to provide
13 services as necessary to support persons residing in such affordable
14 housing units. For purposes of this section, "housing project" has the
15 same meaning as in section 8-39 of the general statutes.

(b) The Commissioner of Economic and Community Development may adopt regulations in accordance with chapter 54 of the general statutes to carry out the purpose of this section.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2011</i>	New section
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HSG *Joint Favorable C/R* APP

APP *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
Mental Health & Addiction Serv., Dept.; Social Services, Dept.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill allows the Department of Economic and Community Development (DECD) in consultation with the Connecticut Housing Finance Authority (CHFA) to establish a program requiring certain housing projects financial assistance to set aside 15% of the units in each project for persons chronically or at risk of becoming homeless. This is a programmatic requirement that has no fiscal impact on housing development financing.

SB 1008 permits the State Bonding Commission to authorize to DECD \$30 million for supportive housing initiatives and \$50 million for housing development and rehabilitation. It is anticipated that these bond funds could support the program if SB 1008 is passed and the bonds are authorized.

The bill could result in a cost to the Department of Mental Health and Addiction Services (DMHAS) and the Department of Social Services (DSS) associated with providing services to support residents of certain affordable housing units. The number of applicable units to be developed by DECD is unknown. The bill is unclear regarding the array of services to be provided by DSS and DMHAS. For purposes of an example, it is estimated that DSS will spend \$10,345 per unit as part of a supportive housing initiative beginning in FY 13. It is estimated

that DMHAS will spend \$7,500 per unit for such initiative.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 6052*****AN ACT CONCERNING HOUSING FOR THE HOMELESS.*****SUMMARY:**

This bill allows the Department of Economic and Community Development (DECD) commissioner, in consultation with the Connecticut Housing Finance Authority (CHFA), to establish a program requiring any housing project that is built or substantially rehabilitated with DECD or CHFA funds on or after October 1, 2011, to set aside up to 15% of the dwelling units as affordable housing units for individuals who are chronically homeless or at risk of becoming homeless. By law, "housing projects" include the construction, reconstruction, or rehabilitation of buildings to provide decent and safe dwellings for the elderly or low- or moderate-income families, among other things.

If DECD and CHFA establish the program, its commissioner and director, respectively, must work with the commissioners of mental health and addition services and social services to provide the services necessary to support the affordable housing unit residents.

The DECD commissioner may adopt regulations to carry out the bill's provisions.

EFFECTIVE DATE: October 1, 2011

COMMITTEE ACTION

Housing Committee

Joint Favorable Change of Reference
Yea 11 Nay 0 (03/10/2011)

Appropriations Committee

Joint Favorable Substitute

Yea 36 Nay 15 (04/26/2011)